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NEWFOUNDLAND AND LABRADOR LIBERAL PARTY

CONVENTION 1980



REPORT OF THE PARTY PRESIDENT



Newfoundland has the highest unemployment rate in Canada. We have the highest cost of living in the nation and costs are still rising. In this crisis the people of this Province desperately need a political party which cares for them, that identifies their needs, develops programs to meet those needs, and fights to implement those programs.

The Conservative Party cannot meet these specifications. Mesmerized by Hibernia, riddled with patronage, it has demonstrated time and again that it will do very little for the troubled people of this province --- the jobless, the old, the poor, the farmers, the plant workers locked out all summer long, the Newfoundlanders lacking the essential service that all civilized communities now possess.

I believe the provincial Liberal Party can once again become the Party of the people of Newfoundland and Labrador. We need capable hard hitting leadership which stands up for Newfoundland and for all Newfoundlanders. Leadership that emphasises the welfare of Newfoundland even when the powers at Ottawa do not see eye to eye with us.

Liberals must regain our people's trust. Those involved in the Party only for personal gains do little to build that trust. Abrogating the Party's Constitution and its nominating procedures does no service. Too often sound programs and policies hammered out by district associations and party conventions are ignored or changed, those in authority in the Party.

Party financing is most unsatisfactory. There must be wider participation in fund raising by all party members. All supporters must be enlisted to give service to the party cause. Cadging support with mysterious hand-outs does nothing for the party image. Revenues and expenditures must be accounted for through audited statements presented at least to the executive officers of the party.

Above all, our Party must stay united. The provincial general elections of 1971, 1975 and 1979 were not won by Tories but lost by Liberals, solely because of internal feuding. When Liberals feud, Tories win, Newfoundland suffers. It's the only way Tories can win, because in this province there are more Liberals than all other Parties combined.

Organizationally our party is by far the strongest in this province. There is little wrong with the grassroots organization

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of this Party, when on the one night of September 22 we were able to put together 95% of the delegates to this leadership convention. The grassroots are there, loyal, organized and willing. Party emphasis in the next few years must rather be on leadership, policy formation, and a hard-hitting approach that is both pro-Newfoundland and pro-Canadian.

Then we will win, then the people of Newfoundland and Labrador will win.

1. THE FEDERAL SCENE

Recent Elections:

Federally Newfoundland Liberalism has been on an upward swing since 1968 when Don Jamieson was the only Newfoundland Liberal in the House of Commons. We have won four more Federal seats since 1972. We have won these seats back to Liberalism by fielding excellent candidates, supported by good poll-by poll organizing and extensive door-to-door contact with the voters.

In 1978, a year of electoral defeat for the Federal Liberal Government, Pat O'Flaherty, our candidate in St. John's West, benefiting by the same organizational techniques, was miraculously able to increase the Liberal turnout from under 4000 to over 10,000 votes, stealing in that election second place from the N.D.P. by defeating the Mayo-Cashin alliance. In the national swing towards the Liberal Party this year, John Crosbie should have been defeated in St. John's West. But the Party dillied and dallied, the correct nominating processes were abrogated and when eventually Aidan Hennebury became the candidate he had not nine weeks but less than four weeks to organize. Nevertheless, he was able to increase the Liberal turnout to over 11,000 votes.

Sound political organizing and voter contact won me the provincial seat of St. John's West, Derrick Hancock was victorious for the same reasons in St. Mary's-The Capes. We've lost Placentia twice only because of internal party feuding. It is my firm recommendation to the new leader and the new board that the districts within St. John's West become a priority target for our Party.

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In marginal and non-Liberal districts, the day of the low-key campaign is over. To win seats there must be intensive voter contact door-to-door coupled with a powerful hard-hitting campaign, and an end to bitter, self-defeating, internal strife.

The National Convention of 1978:

In February, 1978, the Newfoundland delegates to the National Convention in Ottawa succeeded in having the Liberal Party of Canada adopt the following strategy for Labrador development: "That the government, recognizing the vast economic potential of Labrador provided by the proximity of hydro power to an immense treasure house of other natural resources, support, not the concept of shipping these resources as raw materials for industries elsewhere but, rather, the bold, creative economic strategy of developing and processing within Labrador the whole resource package. This strategy will include:

- (a) developing Labrador's hydro resources primarily as a source of power for the industrial development of the province, particularly Labrador, but with surplus power available to other provinces of Canada on a short-term recallable basis;
- (b) developing a year-round port (Port Labrador) on the Labrador coast, and constructing a railway and a road from Port Labrador to Goose Bay on to Labrador City and possibly to Central Canada;
- (c) processing within Labrador of Labrador raw materials including iron, other minerals, fish, forests, and possibly oil and gas;
- (d) assurances that developments will proceed only after appropriate ecological considerations and in accordance with the wishes of the peoples of the area."

The industrial development of Labrador will provide a significant number of the new 250,000 jobs required in this Province. The future of this province and this party lies largely in Labrador. The Liberal Party must permit no erosion of this policy by the Peckford administration or by anyone else.

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National Convention 1980:

At the National Liberal Party Convention this past summer, our delegation succeeded with a resolution to the affect that the Liberal Party support the position that the Upper Churchill Power contract should be renegotiated. It expects the federal government to ensure a more equitable return to the people of Newfoundland and Labrador. Our provincial government should move fast and take advantage of this support from the Liberal Party of Canada. Partisan sentiment should not stand in the way of the public welfare.

Also adopted was the resolution originally passed at the Gander Policy Conference of 1977 and ratified by the 1978 Provincial Annual Meeting:

"That underlying the social policy of the Liberal Party of Canada there be a number of inalienable rights of every Canadian, including the following:

- (a) the right to a job
- (b) the right to a home (this includes the right to land at reasonable prices, the right to pure water, and the right to housing at reasonable rates)
- (c) the right to education (this includes the right to read, the right to high school education, and the right to post secondary education)
- (d) the right to consumer goods at reasonable prices.

This spells out basic material needs of Canadians and could very well become a corner stone of federal social policy.

We must continue to assert ourselves agressively at National Conventions.

Not all that happened in Winnipeg was beneficial to the people of Newfoundland and Labrador. Two developments stand out: (1) a feeling that natural resources are for all the people of Canada; and (2) the approval of national and regional referenda to bring about constitutional amendment.

<u>Natural Resources</u>. There was in Winnipeg an overwhelming feeling of being Canadian, an emotional commitment to the notion that Canadians should share each other's resources, and that the Government of Canada must be given the power to bring this about.

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Provincial governments (none of which are presently Liberal) were bashed unmercifully time after time by politicians federal and provincial for being Un-Canadian, for refusing to give their province's energy and other resources to the nation. It is my belief that we in this poor province are going to have to fight hard to retain the benefits from our immense resource potential, and that there will be great resistance by many mainland Canadians to offshore ownership and management by this province. As a Newfoundlander and as a Liberal, I am very concerned about this colonial attitude.

Constitutional amendment by referendum. There was also in Winnipeg an overwhelming feeling that the federal government should be able to amend the constitution by going over the heads of provincial governments if necessary and appealing directly to the people of Canada through national and regional referenda. We brought to the convention two resolutions designed to prevent regional referenda and to safeguard fundamental provincial interests. Both these resolutions were resoundingly defeated. In a national referendum, the wishes of Ontario and Quebec where two-thirds of the people live will prevail. I fear that Newfoundlanders and Labradorians will be overwhelmed by the sheer numbers of the more populous provinces of the nation and of the region, so that our present rights under the constitution could conceivably be taken away, including the rights to resource benefits.

Given these feelings of the Convention, given the overwholming 87% vote of confidence in the leader, given the Party's firm control of Parliament, given the federal Party's very dominant position compared to provincial Liberal parties all in opposition, given the massive feeling of strength emerging from the Quebec referendum, and given the sense of urgency for constitutional reform in Canada, it is important that we safeguard the rights of the people of the provinces, that we have not only a strong central government, but also provincial governments that, in their areas of jurisdiction such as resources, education and health, are equally powerful, equally supreme.

While I do not share the hysteria or the paranoia of this Province's current Premier about the constitutional proposals, I cannot agree entirely with those

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who say there is no problem with the new constitutional proposals. We need a strong Canada, but equally important, do we need a strong Newfoundland.

We in Newfoundland and Labrador have always shared our resources our hydro, our fish, our iron -- and we will undoubtedly wish to share, but we are not prepared to concede ownership or control, including that of the offshore. The economic future of every man, woman and child in this province rests on our resources. The 250,000 new jobs that this province will need by the year 2000 must come from hydro, oil, minerals, fish, and the processing industries based on these resources. We dare not allow ownership and control to pass from the hands of the province. To do so, would be to betray the hopes of every Newfoundlander and Labradorian. Surely this cannot become a partisan issue in this province. We provincial Liberals cannot be squeezed between the federal government and the provincial Tories.

11. THE PROVINCIAL SCENE

Our mounting successes in federal elections, are unquestionable, but we have not won one of the four provincial general elections in Newfoundland and Labrador since 1966.

<u>Internal Strife</u>: One of our problems is internal strife. We have the mistaken belief that the Party is only as strong as its Leader. This leadership convention is the fifth in eleven years; tomorrow's new leader will be our fourth in three years. This bespeaks a party pre-occupied with the alleged short-comings of our leaders. Yet all have been men of ability. Party focus should have been more on their abilities. We must give our new leader a sense of security through real and visible support. We must add our strengths, our initiatives, our hard work to his and thereby provide the unbeatable combination of joint and co-operative leadership.

The other aspect of unity has to do with the obvious factions within the party. We have our left wing who are the confederates, largely rural, who always vote Liberal, great in numbers but in recent years not in control of the party. The other faction has

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been called the establishment. It is more conservative, wealthier, exercising more control over the party than their numbers warrant. These factions have been battling it out since 1966 and every time a major row erupts we lose an election -- 1971, 1975 and 1979. It is imperative that we learn to tolerate each other, to work together.

I believe that after this Convention, our Party must sort out what it stands for and for whom it stands. The essence of Liberalism is concern for people, with providing jobs, housing, with preventing the ripoff of families looking for building lots, with keeping down cost of home heat and electricity, with paving roads through small communities, and with eliminating government intrusions into such traditional Newfoundland rights as access to ocean and wilderness, and the over-regulation of everything from getting married to picking blueberries.

We have to be concerned also with providing opportunities to education, with high quality publicly supported medical care, not with such Tory mealy-mouthed principles as "Patient Participation." Everyone must see in the Liberal Party the hope for a good life for oneself and one's children and for security in old age.

Much of this policy was formulated in Gander in 1977 and ratified at our last convention, but it has not been sufficiently proclaimed. Our Party has been too quiet, too modest, not sufficiently involved with the real concerns of ordinary Newfoundlanders.

It is my strong recommendation that we take steps so that the Liberal Party be perceived as being liberal, that we begin again the process of policy development through grass-roots policy meetings throughout the province, and through policy committees, policy conferences, but above all through proclaiming to the people our liberal policies. Every Newfoundlander and every Labradorian should know and have faith that it is the Liberal Party that cares, that operates in their interests.

<u>Standing up for Newfoundland and Labrador</u>. The Tories have successfully used the big-lie technique in portraying us as traitors to Newfoundland and Labrador. The previous Tory government did well politically by convincing people of the evils of resettlement and the alleged sellout of the Upper Churchill. Now

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the present Tory government is trying to get the people to believe that we are traitors on the offshore, traitors in the constitutional debate.

The Offshore: Let me make quite clear the long-standing position of the Newfoundland and Labrador Liberal Party with respect to the ownership of the offshore.

The common law of England from time immemorial has claimed ownership of the surrounding sea bed for Britian and her overseas Dominions.

One hundred years ago, the Supreme Court of Newfoundland confirmed Newfoundland's sea-bed rights in a submarine cable case.

Under the great Liberal Prime Minister, Sir Robert Bond, Newfoundland's ownership and jurisdiction over the sea-bed was put most forcefully. In 1903, the Bond government amended the Crown Lands Act to over-rule French shore fishing rights, and claim authority to grant mining rights "covered by the Sea or public tidal waters."

The Bond position on offshore, and numerous other events leading up to the negotiation of the Terms of Union with Canada served to reinforce Newfoundland's long-held position of ownership and jurisdiction.

Consistently since 1949, the Newfoundland and Labrador Liberal Party and the Liberal Government in office until 1972 have held this position:

- --- It issued permits to every major company exploring offshore.
- -- It made Newfoundland's case time and time again, at Federal-Provincial conferences and elsewhere, for ownership and control.
- -- When the Trudeau government in 1968 offered to share the revenues from resources beyond the three-mile limit, the Newfoundland Government of Mr. Smallwood rejected the implied Federal ownership and instead proposed a joint approach.

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-- But perhaps most dramatic of all, on June 25, 1964, at the official request of Premier Smallwood, the late Professor Hugh Lilly of Memorial University's Geology Department, along with diver Jack Snow, descended to the floor of the Grand Banks near the Virgin Rocks to embed a brass plaque bearing the Newfoundland coat of arms -- clear evidence of the Liberal Party's position on ownership of the offshore territory.

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However, it is important that after this convention a detailed and long-range offshore policy, including offshore oil policy, be formulated.

Party structure. For a number of years now the Liberal Party in this province has been selecting its candidates by nominating meetings and other procedures open to all Liberals within the federal or provincial riding. Sometimes we've held one meeting, sometimes more than one, and we have also developed successfully the practice of having Liberals vote for their candidate by means of ballot boxes open throughout the day at various locations throughout the district. We have had as many as 4600 people participating in a single nomination.

Last year the clock of democracy was turned back in our Party and the practice followed of having the Party's candidates chosen in the back room. In fact, not one of the ten nominations, federal or provincial, in the past year and a half have been contested. This method of selecting party candidates is clearly not liberal.

To help reintroduce democratic nominations for federal candidates, the national constitutional committee, at my request brought before the Winnipeg Convention, an amendment which was passed requiring member organizations such as ours to "specify as thoroughly as possible a democratic procedure to be followed in the nomination of candidates to represent the Liberal Party of Canada in any general election or by-election". Later on this afternoon there will be amendments introduced to our provincial party constitution clarifying the nominating procedures to be used provincially.

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If we are to end internal strife, then the nominating procedures must not be manipulated, but be open and honest, fair and above suspicion. This and this only will stop the bitterness, prevent internal strife, and enable competing Liberals to work together afterwards.

Appointed Leader. In April, 1979, the Executive Board at the request of our Leader, Bill Rowe, called a leadership convention for July 6 and 7, 1979. Six weeks before the convention a provincial general election was called. Two days later Bill Rowe resigned in favour of Don Jamieson. The Board accepted the resignation and made the appointment with the proviso that the leadership convention be deferred until fall. However, in its first moeting after that election, the Executive Board rescinded the notion to hold the leadership convention.

Thus in the past year and a half two fundamental principles have been violated -- the right of riding Liberals to nominate their candidates, and the right of Liberals to choose their Leader by convention. There is no point in having constitutional guarantees unless the people charged with enforcing the constitution do so. Tomorrow, you must choose a Board which is prepared to enforce your constitutional rights within the Party. I urge you to listen carefully tomorrow morning to the views of the leadership candidates on these two vital matters and I would also urge you to ask the various candidates for party office where they stood while these rights were being eroded.

Party finances: One of the major tasks facing the new leader and the new Executive Board is reform of party financing. In order for the Board and the Party to operate effectively more money must be raised - and I am convinced that a great deal more can be raised using a systematic, comprehensive approach that reaches out not only to large privite contributors, but to everyone who believes in Liberalism and our two-party system of government. This broadened approach should incorporate a systematic province-wide canvass for contributions on a regular basis, the sale of advertising to the Liberal Ball using professional help and advice, and the sale to every professing Liberal of a Liberal identification card. Our

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caucus in the House of Assembly should press for legislation making contributions to provincial political parties carry tax credit, similar to the procedures used nationally.

Our Party must have a budget, that has incorporated in it the needs of the Board, the needs of the Caucus, provision for the financing of conventions, and provision for the financing of general elections and by-elections. There should be a controlling finance committee and a series of sub-committees. The finance committee should include the Treasurer, the President, the Party Leader or his representative, and the main collectors. It should report with audited financial statements to the officers of the Board.

Organization: The district associations are now fully re-constituted. The MUN Club has been revived. We hope to begin today the process of revitalizing the Young Liberal Association. We are bringing in constitutional amendments respecting federal riding associations. All these riding associations must be serviced by a party office that is properly staffed with an organizer-director, but this is possibly only when funds are available.

Our election machinery is in reasonably good shape. Liberals all over the province are coming to appreciate the need for doorto-door work, poll organizations and hard-hitting campaigns.

Our future emphasis has to be on co-operative leadership, on party unity, party integrity, and in convincing the people throughout this province that we are their Party, that we will stand-up for Newfoundland and for Canada.